

CONSUMER INFORMATION

4-11-00

Credit insurance

Credit insurance regulations in Michigan prohibit a lender from requiring you to purchase credit insurance as a condition of obtaining a loan. If you have purchased credit insurance you do not want, you can receive a full refund of the premium if you cancel the policy within fifteen days of purchase. After fifteen days, you will receive less than a full refund. To cancel a credit insurance policy, notify the insurance company in writing.

In many cases your refund will be applied to the balance of your loan. In most cases, canceling your credit insurance will not reduce your monthly payment. If you make scheduled payments on time, canceling your credit insurance will result in your loan being paid off before the scheduled time.